

**House Committee on Small Business  
Subcommittee on Regulations and Healthcare**

**“Impact of Health Information Technology Legislation on Small Businesses and the  
Role of Government”**

**June 24, 2009**

**Statement by  
Carladenise Armbrister Edwards, Ms.Ed, Ph.D.  
Georgia Department of Community Health**

Good morning Chairwoman Dahlkemper, Ranking Member Westmoreland, and Members of the Committee. Thank you for inviting me to testify before you today on a topic that I am very passionate about – Health Information Technology. My name is Carladenise Armbrister Edwards, Ph.D. and I presently serve as the Chief of Staff for Georgia’s Department of Community Health ( [www.dch.ga.gov](http://www.dch.ga.gov) ), the state agency responsible for the administration of the Medicaid and Children’s Health Insurance Programs (CHIP), the State Health Benefit Plan, the State Offices of Health Improvement and Rural Health, the Certificate of Need program, and the State Office of Health Information Technology and Transparency. Effective July 1<sup>st</sup>, our Agency will assume responsibility for Healthcare Facility Regulation and Licensure, as well as Public Health and Emergency Preparedness. As the Chief of Staff, I am responsible for ensuring that the Agency operates in the most efficient and effective manner while providing our health care beneficiaries, be it the 1.5 million Medicaid members or the 700,000 state employees have access to the highest quality health care delivered in the most cost effective manner.

Prior to serving in my present position with the great State of Georgia, I owned a small health care consulting business in the great State of Florida called The BAE

Company ([www.thebaecompany.com](http://www.thebaecompany.com)). Our company was founded to improve the health and well-being of the community. My father, Lt. Col. Anthony Armbrister, USMC Retired and I built our business to help other small businesses with strategic planning and business development, implementation of health information technology, and change management and system re-design. Therefore, I come to this committee with experience in your three areas of interest: health information technology implementation, small business ownership, and health care administration.

It is my understanding that this committee is interested in learning more about:

- (1) how health information technology will impact small businesses, particularly health care practitioners effected by the Health IT provisions in the American Recovery and Reinvestment Act of 2009 (ARRA), Public Law 111-5;
- (2) the government's role in promoting the adoption of Electronic Medical Records through the use of financial incentives and penalties as outlined in the Recovery Act; and
- (3) Finally, what role does Health IT play in Health Care Reform and will it positively or adversely affect small business owners.

### **Health Information Technology (HIT)**

First, I will attempt to address the issues related to the impact of HIT on health care providers and the benefits and drawbacks of the Recovery Act from the perspective of a large government employer that contracts with health care providers for the Medicaid and State Employee health plans. As you can imagine, the state has a vested interest, *a \$12 billion interest*, in ensuring that health care services are provided in the most cost effective and efficient manner possible. We want to make sure our employees have access to quality health care, so that we can have a strong, productive work force

and we want to make sure our beneficiaries have access to quality health care at the lowest possible cost to the State; therefore, we are strong proponents of Health IT. As stated in the June 16, 2009 draft definition of Meaningful Use posted by the Office of the National Coordinator's Health IT Policy Committee:

“the ultimate vision [for our health care delivery system] is one in which all patients are fully engaged in their healthcare, providers have real-time access to all medical information and tools to help ensure the quality and safety of the care provided while also affording improved access and elimination of health care disparities”<sup>1</sup> which we know drives up the cost of health care.

Health Information Technology, specifically the *meaningful use* of electronic health records, is a primary mechanism for achieving the ultimate vision. Through the meaningful use of HIT, health care providers can access their patient's medical history, medication lists, allergies, prevent contraindications, coordinate treatment protocols, and expedite care in urgent and non-urgent situations. Patients will be able to access their health information when and where they need it making health care more transparent resulting in patient empowerment, increased accountability for quality and cost, and improved patient safety. So from our perspective HIT is a *good thing*.

The Department of Community Health (DCH) is actively participating in the advancement of Health Information Technology and Transparency in several ways, including:

---

<sup>1</sup> “Meaningful Use: A Definition”. Recommendations from the Meaningful Use Workgroup to the Health IT Policy Committee. June 16, 2009.

**(1) First,** the establishment of a health transparency website that provides health care consumers with information that allows them to identify providers by location, cost, and quality indicators; to evaluate health plans according to the services they offer; and to learn about health conditions and related treatments. We built this website with funds provided by the Centers for Medicare and Medicaid Services (CMS) to empower consumers with objective, unbiased health information ([www.georgiahealthinfo.gov](http://www.georgiahealthinfo.gov) ). Georgia would like to see more money available from the federal government to support this tool and others that are designed to educate consumers with information that ultimately will help us reduce unnecessary health care expenses.

**(2) Second,** the Department has given grants to local communities, large and small health care providers, and community health centers (FQHCs, RHCs, and CAHs) to implement interoperable electronic health record systems that allow the sharing of health information among disparate providers in a community to improve care coordination. The state was able to give out \$1 million in grant funds the first year of the program and \$750,000 the second year. Due to state budget deficits, this program is at risk of being discontinued; despite the financial benefit the state could achieve upon full implementation of an interoperable health information exchange that can reduce duplication, improve patient safety, and increase access to care through the use of telemedicine and electronic prescribing. The Recovery Act has set aside funds (*approximately \$300 million*) for regional health information exchange. Georgia is positioning itself to compete for these funds, so that we can continue providing our small

physician practices with grants to adopt HIT and to work with community partners to create regional health information exchanges.

**(3)Third,** Georgia's Medicaid program is creating *Georgia Health Connect*, a Web-based application that will allow Medicaid Providers access to an interoperable electronic health record in a private, secure, virtual environment which allows them to avoid the challenges associated with purchasing, hosting, and maintaining the hardware and software necessary to sustain a traditional EHR in their practice. Our goal is to eliminate the financial barrier that prevents adoption among small physician practices that treat our most vulnerable citizens through the Medicaid and Children's Health Insurance Programs.

**(4) Lastly,** but not finally, DCH is working collaboratively with our academic institutions, managed care companies, health care associations, public health districts, public and private provider community, Quality Improvement Organization, and fellow government agencies to sustain Georgia's Electronic Health Record Partnership which was created in 2008 when Georgia was designated one of the 12 CMS EHR demonstration sites. DCH is very well poised to serve as one of the Regional Extension Centers authorized by the Health Information Technology for Economic and Clinical Health Act (HITECH); to disseminate loans to small physician practices and grants to Medicaid providers authorized by HITECH; and to provide training and technical assistance to ensure compliance with the new Health Insurance Portability and

Accountability Act (HIPAA) provisions which increase accountability for maintaining private and secure health information systems.

DCH believes that the concerted effort put forth by our State's government to implement a strategy for increasing the adoption and utilization of Health IT will only serve to improve the quality of care and reduce the cost of health care that is a consequence of inefficiency, over utilization, and limited access to the right information in the right place at the right time. If it is done well, the Recovery Act can provide states the resources required to maintain and expand their efforts to ensure health care providers, no matter how small their practice, have access to Health IT and that they are able to benefit from group purchasing; extension services aimed at ensuring successful implementation through training, system integration services, and work flow re-design; as well as financial incentives for adoption and meaningful use.

### **Potential Drawbacks to Government Involvement in HIT**

I have spoken about the opportunities our Agency has identified from the Recovery Act, and I have tried to outline the work that is taking place in Georgia and how the Recovery Act could potentially support the work we are doing to advance Health IT. Again, I am speaking from the fundamental premise that Health IT is a "good thing" and is necessary if we are going to transform our health care system into one that is much more efficient and accessible. *I do not need to tell anyone on this committee how frustrating it is to arrive at your doctor's office for a follow-up visit (after losing valuable time at work trying to call into the office to schedule the appointment when you wish you could have done it via e-mail or on the Internet) and your medical records from the*

*specialist, hospital, or lab are not there! If the only thing we accomplish with Health IT is forcing providers to electronically schedule appointments and send lab results then that would be a huge win to everyone, especially the small business owner who can not afford the loss in productivity when their employees have to make two trips to the doctor when one trip would have sufficed had the physician been able to access the information.*

The drawbacks to assuming Health IT is the panacea and to the state or the federal government investing in Health IT are few, but they do exist. Primarily, the drawback is the potential for failure. Frederick Douglas once said that “Power does not concede without demand”<sup>2</sup>. If health care consumers do not demand a change, then providers are still going to be reluctant to implement a change and the resources used to invest in that change will be for nothing. Not only do we need to change how health information is captured, filed, exchanged, and protected, but we have to change the value of that information to the individual consumer, the health care provider, and the health officials responsible for monitoring the population’s health and well-being. Technology transformed the individuals ability to manage their own financial portfolio and for businesses to manage their cash flow. Through technology entrepreneurs have been able to build businesses and expand their businesses into global markets. Technology provides access to data and information that can be used for strategic decision making in business and for clinical decision making in health care.

The role of the government should be to knock down the barriers that prevent the use of technology in health care while allowing consumer demand and competition to design, develop, and sustain the products and services that best meet the consumers’ needs. This approach will create opportunities in the private sector and result in the best

---

<sup>2</sup> The Fredrick Douglass Papers. 1857. “Without Struggle/No Freedom Quote.”

products with the best value. If the funds from the HITECH Act are used to reduce the financial barriers that prevent small businesses from adopting technology, to educate consumers about the value and the importance of health IT, and to help maintain efficient and accessible health care programs for the millions of Americans who depend on government funded health care, then the public will be well served by the Recovery Act and the government would have served its purpose.

### **Meaning of Health Care Reform and Health IT to the Small Business Owner**

I conclude my testimony with a few words on what Health Care Reform and Health IT means to the small business owner. As I stated in my introduction, my father and I started a health care consulting firm in Miami, Florida in 2005. The type of business is only relevant in that I have seen firsthand how the successful implementation of Health Information Technology has improved my clients' productivity, service delivery, patient and staff satisfaction, and ability to meet quality and safety goals established by their funding sources and/or accrediting bodies. More importantly, my role as a small business owner has given me a greater appreciation for the work you all are doing here in Washington, D.C. The bold steps you are taking to transform the health care system to one that is more accessible to small business owners and their employees are heroic given the resistance to change and the current status of the economy. We can have the best health care system in the world, but if I can not afford to access it then what use is it? As a small business owner, we want to be able to provide competitive benefits, to maintain a healthy workforce, and to make a little profit, but the present structure prohibits that in most instances.



What health care reform means to me as a small business owner is the opportunity to participate in a health care system that equalizes access to health care coverage similar to my access to car or homeowners insurance.

What health IT means to me is the opportunity to have access to my health information and my families health information so that I can manage my “health care portfolio” the way I manage my financial portfolio – easy access to my prescription history, view reports on my cholesterol or blood pressure or weight in a meaningful way, and have confidence that my physician has the information needed to keep me safe, healthy, and productive.

\* \* \* \* \*

Thank you for the opportunity you have given me to share a snapshot of the work we are doing in Georgia under the leadership of Governor Sonny Perdue and DCH Commissioner Rhonda Medows, and for allowing me to share my thoughts on how we can best put the \$19 billion investment of ARRA funds to use for the benefit of private health care providers and small businesses across the country.